

# FINELINE

**May 2005**
*A Division of Finance monthly communication service*

## Here's a Summary of the Recovery Audit Management Report

The first phase of the Recovery Audit is complete, and Horn & Associates has provided the Division of Finance with an assessment of the State's Accounts Payable procedures. The audit included data from July 2002 to June 2004, looking at vendor payments, P-card payments, and statewide purchasing contracts. The contractor "mined" the data looking for duplicate payments, open credits, pricing errors, and discounts lost.

# Dollars & Cents

*The Recovery Audit enabled state agencies to recover funds lost due to duplicate payments, open credits, pricing errors, and lost discounts.*

The following categories and amounts have been identified to date:

Audit Category	Net Identified	Percentage of Total
Cash Discounts	\$11,531.19	3.23%
Duplicate Payments	\$228,061.18	63.84%
Open Credits	\$99,774.84	27.93%
Payment Errors	\$4,052.64	1.13%
Pricing	\$10,839.30	3.03%
Tax Charged in Error	\$95.99	0.03%
Volume Rebates	\$2,900.93	0.81%
Total identified to date: <b>\$357,256.07</b>		Total recovered to date: <b>\$225,143.33</b>

To decrease the number of errors, the report recommends the following:

- ✓ Anyone making payments should always make certain that the address on the payment matches the address on the invoice.
- ✓ FINET warns of duplicate invoice numbers. This warning should not be overridden without verifying that the payment is not being duplicated.
- ✓ Returns, overpayments, or other transactions that result in credits should be handled promptly and consistently.
- ✓ Vendors should not be allowed to offset credits against open invoices or disputed items.
- ✓ Payments should always reference the contract number (when applicable) in the *Description* field to provide an audit trail.

The contractor also recommended that the State implement document scanning throughout all agencies using a consistent platform. The effectiveness of this type of audit increases significantly if documents are imaged. View the full report on the Finance Web site at [www.finance.utah.gov/pdf/auditreport.pdf](http://www.finance.utah.gov/pdf/auditreport.pdf).

If you have questions or concerns, contact Brenda Lee Sy at 801-538-3100 or Gary Belliston at 801-538-3110. ❖

## Yearend Accounting Meeting, Training Set for June 20

The annual fiscal yearend Budget and Accounting Officers meeting will be held at 8:30 a.m. on Monday, June 20, in the State Office Building Auditorium. This meeting will review yearend closing and changes for the new year.

In conjunction with the meeting, the Division of Finance will offer fiscal yearend accounting

training, also on June 20. Training on the *Closeout Process*, *Yearend Revenue Accounting*, and *Yearend Expenditure Accounting* is intended for those who have not previously gone through the fiscal yearend closing process. Those who need a refresher course are also welcome to attend. The *Fixed Assets* training will provide an overview of selected Fixed Asset procedures.

Training will also be offered Tuesday, June 21, for those who cannot attend June 20. Times for the classes are:



### June 20

### State Office Building, Room 2108

#### 10:30 – 11 a.m.

#### Closeout Schedules and Closing Process

This course will cover the closing schedule and budget closing issues. It is intended for those responsible for yearend closing and reporting.

#### 11 a.m. – Noon

#### Fixed Assets

This course will cover purchasing fixed assets, recording depreciation, asset disposals, trade-ins, donated assets, and gains and losses. It will also cover revenue and expenditure reports and the fixed asset tables and ledgers available on Cognos. This training is intended for those who have some experience with fixed assets or have already taken the on-line Fixed Assets training.

#### 1 – 2:15 p.m.

#### Yearend Revenue Accounting

This course will cover the yearend process for cash receipts cutoff, accounts receivable, deferred revenue, and inter-agency billings. It is intended for staff responsible for cash receipts and revenue accounting.

#### 2:30 – 3:30 p.m.

#### Yearend Expenditure Accounting

This course will cover purchasing transactions, petty cash cutoff, accrued expenditures, prepaid expenditures, and inter-agency transactions. It is intended for those who process purchasing transactions, and for those who pay bills and are responsible for expenditure accounting.

### June 21

### State Office Building, Room 2108

#### 8:30 – 9 a.m.

#### Closeout Schedules and Closing Process

#### 9:15 – 10:30 a.m.

#### Yearend Revenue Accounting

#### 10:45 – 11:45 a.m.

#### Yearend Expenditure Accounting

#### 1 – 2 p.m.

#### Fixed Assets

To reserve a spot in a class for either June 20 or June 21, call 801-538-3082. Space for all sessions is limited, so it is **very important to make reservations for training** ahead of time. ❖

## Deadlines for FY 06 Budgets, Chart of Accounts Setup

Listed below are selected agency deadlines for the setup of fiscal 2006 budgets and the new year chart of accounts. See the calendars distributed at the Budget and Accounting Officers meeting for a complete list of setup dates. The calendar is available on the Finance Web site at [www.finance.utah.gov/publications/bameetings.htm](http://www.finance.utah.gov/publications/bameetings.htm).

**April 29** Final OLD year FY 05 restricted revenue budgets are due. Agencies update their restricted general and restricted special revenue fund revenue budgets with RB documents on-line in FINET.

**April 29** Submit January, February, and March Trust and Agency Bank reconciliations to Deborah Memmott.

**May 2** Complete all changes on-line for activity, reporting category, project/job entries, and for FAIT.

**May 4** Using FINET or Data Warehouse queries, review the setup of 2006 budget and new year chart of accounts for NEW year appropriation, revenue, and expense budgets loaded to FINET. Also review activity, reporting category, project/job, and FAIT tables.

**May 18** Begin cleanup of standard POs in preparation for yearend. Finance will close all outstanding OLD year POs on August 26.

**May 19** Complete Coding Block Change Table (CBCT) entries on-line.

**May 27** Confirmation letter due to Henry Johnston, Fixed Asset Accountant, stating that your Fixed Asset Physical Inventory is completed.

The original budget flag will be set in June. After it is set, any budget changes will show on budget tables in the *Modified Budget Amount*. State Finance will notify agencies through the FINET list server when the budget flag has been set.

If you have questions about the deadlines, contact Jason Nielsen at 801-537-9263 or [jnielsen@utah.gov](mailto:jnielsen@utah.gov). ❖



## Brenda Lee Sy Is New State Accountant

Congratulations to our new State Accountant, Brenda Lee Sy. She replaces Carol Young, who is retiring April 29.

Brenda has worked in state government for almost 15 years, including four years in the State Auditor's Office. She came to Finance as a Financial Reporting Accountant in 1994, and most recently has been the Manager of Financial Transactions.

You can contact Brenda at [brendalee@utah.gov](mailto:brendalee@utah.gov) or 801-538-3100. ❖



## Kim Oliver Retires from State Government

Good-bye and good luck to Director of Finance Kim Oliver, who has retired from state government. Her last day in Finance was April 22. Before she left Finance, Kim wrote the following message for those she has worked with in the various state agencies:

“As I think about retiring after almost 31 years in state government, including the last nine years in the Division of Finance, I have to say I feel very fortunate. I feel so lucky to have had both the privilege of serving as the director of the Division of Finance and the opportunity to work with the outstanding financial people in each agency.



“I have been impressed with the dedication you have shown during yearend closing, budget preparation and setup, mass changes, and the legislative session. Thank you for the support you have given to the Division of Finance over the years as we have worked through system upgrades, accounting standard changes, and legislative changes. Even though there are a number of changes taking place in Finance at this time, I am confident that the division will continue to provide you with the tools essential for your job.

“Again, thank you and good luck to you all. I hope our paths will cross again in the future.”

John Reidhead will be Acting Director of Finance while the Department of Administrative Services fills Kim's position. ❖

## Please Use Updated Payroll Warrant Request Form FI 15

Please be aware that an updated form FI 15, Payroll Warrant Request, is now available on the Division of Finance Web site. You can access the form at [www.finance.utah.gov/forms](http://www.finance.utah.gov/forms).



Please discard all old forms and begin using the new form. The Division of Finance will not process payroll warrants requested on the old form. ❖

## Frequently Asked Question from FINET Help Desk

Q I closed the wrong INs (Federal Invoice documents) by referencing them on a CR (Cash Receipt document). Can I fix that?

A Yes, you can fix the problem. To make the correction, enter a new zero dollar CR, with line 1 referencing the IN you should have closed. Line 2 should reference the IN you closed by mistake, and it should be marked as a decrease.



Next month, we address the same situation for REs. ❖

## You Can Now Print Your Own Duplicate W-2 Forms

**E**mployees who have access to Payroll Employee Self Service (ESS) can now print their own duplicate W-2 forms.

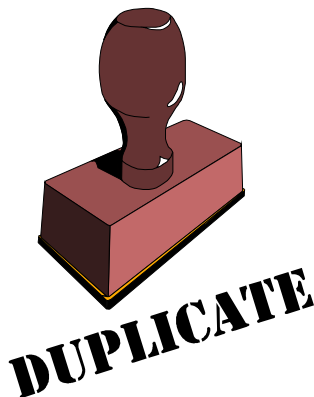
To access this function, log in to ESS and click on the **Employee Self Service** tab. Then click on *My Information*. The links to access *Print Duplicate W-2* and *IRS W-2 Instructions* are in the Detailed Navigation tray on the left. If additional instruction is needed, go to the Help Tools on the **My Information Overview** page. The tools now include a *Description of the Print Duplicate W2 screen*.

Remember that any agency can sign up to use ESS, even if you are not entering time online. In addition to time entry, ESS allows employees to use the employee portal on the Internet to perform the following non-time entry functions:

- \* Change W-4 forms
- \* Change Direct Deposits
- \* View pay statements on the Tuesday before payday Friday
- \* Print current and past pay statements
- \* View leave balances
- \* View leave use history
- \* Display pay periods and holidays

These functions are available to all state employees, not only to those entering time through ESS. However, agency management must contact State Payroll to request access to these functions before employees may log in to ESS.

For more information, contact Caroline Thomas in State Payroll at 801-538-3125 or [carolinet@utah.gov](mailto:carolinet@utah.gov). ❖



## Social Security Card Copies, Payroll Forms Must Be Readable

**W**e need your help processing W-4 forms, state withholding, social security card copies, alien information, and direct deposit forms. All forms submitted to State Payroll **must be readable** before we can process them.

Because we scan all of these forms into our imaging system, our verification, scanning, and filing process is greatly delayed by Social Security card copies or other forms that are unreadable. Many of the social security card copies we receive are so dark or so light they are not acceptable. We need to be able to clearly read the name and number.

If you photocopy an employee's card, please take a moment to verify that it can be easily read. If you receive a photocopied card and you can't read it, we won't be able to either. Please ask for a better copy.

Everyone in State Payroll appreciates your efforts and wants to thank you for sending readable documents to the Division of Finance in a timely manner. ❖



### FINET Schedule

May 6	FINET open; April monthend
May 30	FINET closed; Memorial Day holiday
May 31	FINET open; Tuesday cycle



### Payroll Training

Computer-based training on the Payroll System is available on the Division of Finance Web site at [www.finance.utah.gov/training/courses.htm](http://www.finance.utah.gov/training/courses.htm).

*Click on the course names below to view the course descriptions or to access the on-line courses.*

### FINET Classroom Training

May 24	<a href="#">Purchasing Lab</a> ; 8:30 – 11:30 a.m.
May 24	<a href="#">Disbursing Lab</a> ; 1 – 4 p.m.
May 25	<a href="#">Internal Transactions Lab</a> ; 1 – 4 p.m.
May 26	<a href="#">Fixed Assets Lab</a> ; 1 – 4 p.m.



### FINET On-Line Courses

[FINET System Navigation](#), [FINET Overview](#), [Employee Reimbursements](#), [Purchasing and Disbursing](#), [Cost Accounting](#), [Grant Accounting](#), [Revenues and Receivables](#), [Internal Transactions](#), and [Fixed Assets](#)

### Call to Add Your Name to Waiting List for These Classes

[Budget Control](#), [Grant Accounting Lab](#), [Project Accounting](#), [FINET Inventory](#), and [On-line Inquiries](#)

### FINET Help Desk

Call 801-538-9690 to resolve immediate questions about using FINET.

### Reservations

To reserve your spot in any class offered this month or to add your name to our waiting list for classes not offered this month, call 801-538-3082. We will notify you when the class is scheduled. If you make reservations and cannot attend, please notify us as soon as possible so we can make your spot available to someone else.



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*Persons with disabilities requiring accommodation should call 801-538-3082 a week before the class to request reasonable accommodation.*

Read descriptions of all our courses and link to on-line courses at:  
[www.finance.utah.gov/training/courses.htm](http://www.finance.utah.gov/training/courses.htm).